App. F. IX-4.

1924.

No. 86-24

Serial Nos. 16, 20, 23, 100, 156

Previous references.
Mr 110-1883-29, 30, 32-36
" 12-23-53, 58, 62, 68, 69
" 171-20-7247, 3, 4, 18

Later references.
Mr V2-26 85218

Wl 175-27 21no5.1+2

Presume

GENERAL AND REVENUE SECRETARIAT.

Serial Nos.

Part B for Maps.

SUBJECT

Report of Inspection on the accounts of the Bangalore Lake Improvement works by Mr. A Sholasinga mudaliar, Asst Comptroller

156 To, The municipal Commr & the Comptroller
NO. L 7210-1/dt 28-5-26
passes orders on the above.

G. H. S. III—11

1924

GENERAL AND REVENUE SECRETARIAT.

Final

NOTES.

File No. 86-24

FILE HEADING.

Water on the audit of Local accounts.

From

The Comptroller, ex Mysore.

No. 395/Ex.457 Dated 9.10.24 Received 12.10.24

Diary No. 2393/2 Enclos. 1 & Spare Copies. Serial No. 15

BRIEF ABSTRACT OF LETTER.

Forwards the Report of Inspection on the accounts of the Bangalore City Improvement Works by Mr. A Thalaringa Nair, Asst Comptroller, Rate by him from 25th August 1924 to 9th September 1924.

NOTES AND ORDERS.

Mr. A. Thalaringa Nair Asst Comptroller — undertook the audit of accounts of the City Improvement Works, Bangalore under the orders of the Comptroller as the audit initiated was declined by the Local Audit Branch of the Comptroller's office as they found to be unsuitable for its

NOTES—First Sheet.

WD [illegible]—GPS—[illegible]—1924

Serial No.

for the purpose.

2. As regards the question of accounts for Civil Department Works Govt have ordered in para 3 of their order No. E&I(P)-20/Fl. 161-21-5B dtd 27th July 1922 that they regarding Works, will only maintain the branches of the executive Engineers but that the usual Public Works Procedure in regard to the execution of the works relating to Civil Department shall be followed.

3. The Accountant General is of opinion that the existing Manual of Instructions is more suitable for the Ordinary Public Works Divisions, but the establishment allowed to civil P.W.D. Sub-Division like ours permit that the account maintained are separate and most of the irregularities arising in the two cases being taken to regularise them.

4. The present system of accounts as it is not in accordance with P.W. Code and Rules are also before us. The chief points observed are the following:-

1) There is no agreement between the Executive Engineer in charge

NOTE—Contn. Sheet

Serial No.

~~Heads of work to be~~

which the work is transferred by the Special Engr for payment are incorporated in the Special Engr's Abstract and the Work Register of the items paid in the Hand Sheet. (Vide paras 5 and 6 of the Report)

2) Excesses over Sub-heads are incurred beyond the powers of the Executive Engr, and the explanation demanded by Govt are not received, the progress of the Work is delayed and expenditure incurred cannot be Sub-Read without taking necessary steps to regularise them as by bringing them to the notice of the Rights Authority. (Vide Paras 16(c), 17(c) ~~and 3~~)

3) Irregular payments (Vide Para 9), non-existent debits to Work (Para 24), maintenance in account of Works not going credit to the same (Para 25) improper accounts of tools and plant, (Para 28) and errors in carrying out Govt Orders of Instructions (Para 33).

NOTE—Contd. Sheet

General and Revenue Secretariat. | File No. 86 of 1924

Serial No.

4) no accounts are maintained of Security deposits received (Para 39). There is no register showing the properties acquired and their disposal (Para 39).

5 In view of the fact that Govt have to pay a large sum by of Contribution for City Improvement Works for some years to come, the Comptroller considers that the present system should be changed and the outlay incurred subject to the same audit which is applied in the case of Public Works Dept outlay so as to warrant correct payment of Contribution payable by Govt.

6 To remedy the defects existing in the present system, the Comptroller makes certain proposals, which are detailed in para 6 of his letter under disposal.

7 A statement prepared in this office showing a month's actual payments made and ~~arrears~~ Govt Contribution received for City Improvement Works is put up.

Submitted for orders

24.11.24

NOTE—Contn. Sheet

File No. . of 19 . | General and Revenue Secretariat.

Serial No.	

NOTE—Contn. Sheet

neral and Revenue Secretariat.

Serial No.

File No. 96 of 1924

SECRETARIAT OFFICE
4 DEC 1924
No. 4105

I at Srike. is submitted showing the several defects in regard to the accounts & systems & several Imp works of the Improvement Division brought to this with the remarks appended thereon.

Of the explanations of the Special Engineer & and the Council for the several defects noted, perhaps the latter may be called for.

Explanation has been already called for regarding rules contravening which have been made

L. L. Secy) 2/12/24

The Executive of the Special Engineer & the Municipal Council for the several defects noted, might be called for.

Secy. 3/12

Please recorded that H 3/12

H 1172/24

Secy
Temp
Jt Secy.

Secy 3/12

Secy 3/12/24

P. J. D

NOTE—Contn. Sheet

13 The position disclosed by the report is unsatisfactory. Action has to be taken in respect of two points: (1) improvement in the procedure for payment and accounting; (2) irregularities brought to notice in the report.

14 I agree with the Comptroller in thinking that it is desirable to make the Special Engineer the disburser in respect of all the transactions under his control. The works that he carries out are those of the Municipality and he can, therefore, be only a subordinate disburser under the main disburser of that Body. I do not think there is any practical difficulty in making him a disburser. He can be given a cheque book and authorised to draw on the current account of the Municipality in the Mysore Bank.

15 If he himself makes payments for all the charges he incurs, his office can be expected to be fully self-contained in respect of all accounts, and such an arrangement will bring home to him all his responsibilities and also provide the means for effective control by himself, by the higher officers of the Municipality and by the Comptroller's staff which has to examine these accounts with reference to the subventions which Government have agreed to give. This, however, is a matter in which reference to the Municipality is necessary.

The Comptroller suggests that the transactions

Serial No.

NOTE—Contn. Sheet

Serial No.

transactions of the Special Engineer should be brought upon a separate account to be submitted monthly for audit in his office. This involves a departure from the general rule obtaining in respect of audit of accounts of the Municipality. It is possible to compile an account of the kind which the Comptroller suggests and have it audited monthly in his office. Such an audit is desirable if the Municipality will agree to it.

16 I do not think the suggestion of the Comptroller that the funds to be operated upon by the Special Engineer should be separately allotted and accounted for under ~~a separate~~ an independent Debt Head is acceptable. The outlay is the final expenditure of the Municipality towards which, however, Government make a contribution. What probably the Comptroller means is that the works which the Special Engineer is required to carry out and which are subsidised by Government may be separately shown in the accounts and estimates of the Municipality. I do not think this requires any special procedure. If they are now clubbed with other works, a separate head may be opened for showing them. I understand that, for the present, there is only one such work, viz., the New City Market.

17 As regards the establishment which the Special Engineer requires for keeping, in his own office, all the accounts which the Comptroller

Comptroller suggests should be kept there, I am unable to express any opinion as I do not know the magnitude of the work devolved upon him. The only subsidised work, which, I understand, he carries out, is the New Market and, although the transactions on account of it are heavy, I do not think any special establishment is necessary for keeping the Cash and works accounts of a single estimate, however large, and his present staff may be able to keep all the accounts of this work. If, however, the Special Engineer is also entrusted with other works in which Government are not concerned, and, also if his present staff is not adequate for keeping the accounts of all the works, then there may be need for strengthening his establishment.

Serial No.

15 The last suggestion of the Comptroller is that the accounts of the Bangalore City Improvement Works should follow the lines of those of the Mysore City Improvement Trust Board. The analogy of the Mysore City Improvement Trust Board does not apply fully as it is an independent Body with its own finances unlike the Bangalore City Improvement Works which form part of the operations of the Bangalore City Municipality. However, what is apparently meant by the Comptroller is that the Public Works accounts procedure which the Mysore City Improvement Trust Board follows should be adopted in the case of Bangalore City Improvement Works as well. This suggestion, as I have already stated, is acceptable.

19 As regards the irregularities pointed out in

Serial No.

in the report, two call for special notice:

(1) I do not understand how the Municipality claimed contributions from Government in excess of the amounts admissible and how such claims were passed. This matter requires special investigation.

(2) It is stated that there is no competent sanction for some of the works. This is a serious matter. I cannot understand how new works were carried out without obtaining the sanction of the authority concerned. All works for which subventions have been claimed and admitted, have to be verified in respect of sanctions on which they rest and if the excess payments are proved, arrangements will have to be made to get them refunded or have them adjusted towards future dues by Government to the Municipality.

(3) Other points to which attention is drawn in the report are that Security Deposits are not promptly remitted to the Municipal Treasury, that the rules for calling for tenders are not observed and that proposals towards contributions have not been promptly [illegible] these are irregularities which have to be inquired into and remedied.

DC [illegible] OFFICE
10. DEC. 1924
4259

G.R.S. III-2] File No. 86 of 1924

General and Revenue Secretariat

DIWAN'S OFFICE, RECD. 23 DEC. 1924 Reg. No. 4623

Serial No.

1) Please put up a draft early

2) Draft is put up for appl.

16-12-24

Draft is submitted for approval.

20/12

29 Draft [illegible] [illegible]

Diwan

Approved

26 12

[illegible] 20

[illegible] Review the audit report.

Letter No. 651 L.A.D of 12-3-25 from the Comptroller 23

States in the circumstances stated that the [illegible] permit has not yet been admitted in audit.

Explanation of the [illegible] regarding the irregularities observed and [illegible]

30-3-25

[illegible]

NOTE—Compl. [illegible] have not yet been [illegible]

[illegible] /5/25

General and Revenue Secretariat.

Ml File No. 86 of 1925

Serial No

Ml 117-25 since returned from the Secretariat.

Ex. (R.B.) M 4446 2.8.25

100 Letter No. 1519 28.5.25/2.6.25 from the Revenue Commissioner, Bangalore City.

Submits as ordered for, the explanations of the City Municipal Council, the issues connected with the unsatisfactory management of the Bangalore City Improvements Trust.

A statement showing the items of defects and irregularities pointed out by Government and the explanations of the officers of the City Municipal Council thereon is prepared and submitted for orders.

2. In reviewing the several irregularities and defects brought to notice in the works executed and registers and accounts maintained in connection with the Bangalore City Municipal Improvement works, it was stated (Vide para 14 of the order) that these irregularities should be enquired into and remedies and the explanation of the Special Engineer thereon should be submitted. The several points on which explanation had been called for and the explanations furnished are embodied in the statement prepared as put up.

In regard to maintenance of accounts, work bills and registers, the defects are said to be due to inadequate staff. In para 12 of the Government Order the Municipal Council was asked to examine the necessity if any, for increase of staff and to send definite proposals if any. No proposals has been received in regard to this.

Note—Contin. Sheet

Serial No.

In regard to deviation from sanctioned estimates for works specified, the Municipal Engineer states that nothing was done on his own responsibility, and that the several deviations were intended to be included in a revised estimate once for all, which he commenced to prepare in August 1923 when he handed over charge. The explanation cannot be said to be satisfactory.

As regards excesses, it is explained that the then excesses were mostly on account of compensation for lands under the control of the Special Land Acquisition Officer and that the amounts were only paid by the office upon the statements furnished by that Officer and the bills had also been admitted and paid by the Comptroller. The Comptroller has however stated that he has not finally admitted them in audit. This is separately under consideration.

As regards the irregularities in regard to purchase of girders at a loss of Rs.10,000/- on which also explanation was required to be called for, - it is stated that whatever was done was in consultation with and with the knowledge of the Chairman of the Improvement Committee in all stages. (Vide page 3 of the statement). The Executive Engineer should have used his discretion and should not try to shift the responsibility like this.

As regards improvement in the accounts procedure, the Municipal Council were asked to examine the following suggestions and favour Government with their views thereon. Their attention was

Serial No

be invited to these and they may be asked to send up their views now.

(1) Making the Special Engineer disburser in respect of transactions under his control and to give him a cheque book and authorise him to draw on the current account of the Municipal Council with the Mysore Bank (Para 8 of the order)

(2) Bringing the transactions of the Special Engineer on a separate account to be submitted monthly for audit with the Comptroller's office (Para 10 of the Order)

(3) Showing separately in accounts the improvement works subsidised by Government and opening separate heads for contribution works where these are clubbed together with other works (Para 11 of the or

(4) Adoption in regard to improvement works of the P.W.D. accounts procedure as ~~issued for~~ is followed for the Mysore City Improvement Works (Para 13 of the order).

L. Rao

This has not been worked properly. There is considerable delay in submitting the papers here. (Govt. G 1429-S 5.8.1944) This requires application. Perhaps a close analysis of the points of objection taken & the application of the offices on each point, & some remarks of the Secretary like it may.

J.B 7.8

Now is a statement re. conducto

G.R.S. 111-21

WD 2119—GPB—10,000—2[illegible]25

General and Records Secretariat.

File No. 86 of 19[illegible]

Serial No.

The points requiring explanation & the [illegible] of the officers thereon. Mr Lewis the preparation of Manuscript & the proof typed [illegible] during the absence on leave of the last typist the work was delayed

A brief analysis of points requiring orders or consideration with suggestions is contained in para 38 to 41.

L. Lewis). 7/8.

44 The explanations furnished to the objections raised by the Auditors may be forwarded, unofficially to the Comptroller for favour of early remarks —

S.A. 14.8.

45 Forwarded unofficially for the favour of remarks & early return of the file

By order

14/8/25

for Lt Colonel

[illegible]

[illegible]

COMPTROLLER'S OFFICE 17 AUG 1925 BANGALORE

20 20 379 15.8.25

General and Revenue Secretariat

No File No. 222 ZAD 8 14/19/25 of 192

Serial No

No. 91 14.10.25

5438

Returned with compliments.

46 Government in their order No. C.818-29/Ml. 161-21-5 dated the 27th July 1922 directed that the Engineering Officer in charge of City Improvement Works, Bangalore, should for purpose of the Public Works Code, Exercise the functions of an Executive Engineer and that the usual Public Works Procedure in regard to the execution of all works relating to City Improvement be followed so far as that officer is concerned. Explanations furnished by the officers placed in charge of the Improvement Works from the date of the passing of that order, which are not in conformity with the provisions of the Public Works Code, (Mysore Account Code, Volume III - Part I) cannot therefore be accepted.

47 2. It is the duty of the Head Accountant as the Chief custodian of all the accounts of t Municipality to see that all the instructions issued by Government from time to time have bee strictly followed and that bills are prepared in accordance with those orders. It is no explanation to say that the expenditure was incurred by the City Improvement Engineer and the Land Acquisition Officer and that the fi furnished by them were simply adopted.without reference to the orders of Government.

48 3. In para 3 of this office letter No. 595/WAD.I, dated the 9th October 1924, it has been stated that the audit hitherto conducted

App: P. III—2]

WD 6669—GPB—40,000—31-7-42

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General and Revenue Secretariat

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Notes—Contn. Sheet

Serial No

by the Local Audit Branch of my office is not suitable and in para 6 of the same letter proposals for changing the system were submitted for the consideration of Government. If the system is changed many of the irregularities now noticed will disappear.

49 4. In the Secretariat the objections raised and the replies furnished have been tabulated in a statement. I note below my remarks on the replies furnished.

50 Items 1 and 2.- The most important record in an Engineering Office is the Work Register. It should not have been allowed to be kept in a defective manner on the ground of want of adequate staff. The inadequacy of the establishment should have been brought to the notice of Government by the Engineering Officer himself especially when he has been invested with the powers of an Executive Engineer.

51 Item 3. As public works procedure has been directed to be followed in regard to City Improvement works, the cash book should have been maintained in the manner laid down in the Public Works Account Code.

52 The Special Engineer's letter No. 491 dated 3rd November 1924 is not in the file and I am not therefore able to make out the circumstances which necessitated his keeping the deposits on hand without remitting them to the treasury. Even if the deposits had to be repaid after one or two months

the

App. F. III—2]

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WD 0569—GPB—40,000—31-1-25

General and Revenue Secretariat

Serial No.

General and Revenue Secretariat | File No. 31 of 1924.

Serial No

the proper course would have been to remit them to the treasury and refund them to the contractors after the completion of the contract by means of cheques, obtained from the Municipal Office.

53 Item No. 4. No explanation has been furnished for the non-utilization of intimations sent periodically. Even if no intimations were received, they should have been called for for the proper maintenance of the Work Register.

54 Item 5 (a). The authority which sanctioned the original estimate can alone sanction deviations involving excess expenditure (Vide para 249 of Municipal Account Manual). The officers concern have rendered themselves personally liable for all these irregularities and unauthorised expenditure (Vide Note 3 to Article 28 Mysore Account Code, Volume III, Part I).

55 The bills for Government contribution were being sent up at the end of the year.

The work registers maintained were very defective and there were large deviations from estimates and sanctioned rates as explained in my letter No. 157 dated 20th August 1924. The bills could not therefore be arranged to be audited before payment without dislocating the work of the single auditor posted for the Bangalore City Municipality. On this account from 1922-23 the grants provided in the State Budget were beir paid provisionally with the approval of Governm

App. F. III—2]

WD 0569—GPB—40,000—31-7-25

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17

General and Revenue Secretariat

ad File No. 56 of 1924

Serial No

56 Item 5 (b). In regard to non-submission of tenders to Government for approval reference is made to Section 40 of the Municipal Regulations. The Municipal Special Engineer was invested with the powers of an Executive Engineer and he was asked to follow the Public Works Procedure. The tenders should therefore have been submitted to Government for approval under the procedure laid down in Mysore Account Code, Volume III, Part I. Besides Section 40 of the Municipal Regulations empowers the Municipalities to enter into a contract for the performance of certain duties. A contract with a contractor can be entered into only after the tender received from him is accepted by competent authority. No specific provision exists either in Municipal Account Manual or in the Municipal Regulation prescribing the authority for the acceptance of tenders called for by the Municipalities. But in view of the provision in paras 29 and 241 of Municipal Account Manual limiting the power of City Municipalities to sanction the execution of original works to Rs.1,500/ (raised to Rs.5,000 from ~~from~~ July 1924), of the tender having exceeded the estimate sanctioned by Government by Rs.2,000/, and the lowest tender by Rs.6,000, the tender ought to have been submitted for approval to Government which had to contribute two-thirds of the ~~amount~~ cost.

57 Item 5 (c) The quality of the girders suppli by Mr. Babu Sahib at Rs.19-8-0 per cwt. is not

App. r. III—2]

WD 0669—GPB—40,000—31-7-25

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General and Revenue Secretariat

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General and Revenue Secretariat

rl File No. 51 of 1926

Serial No

the same as those supplied by Messrs. C. Mudaliar and Company at Rs.21 - per cwt. It is for Government to accept the explanation now offered by the Special Engineer.

58 Item 5 (d). The explanation clearly shows that the bills were not prepared in accordance with the orders of Government. It was the duty of the Head Accountant to have collected correct information from the Engineering and Land Acquisition Offices and included in the bills only such items for which contributions were promised by Government. As already stated bills were not passed by this office but only the amounts provided in the State Budgets were paid provisions with the approval of Government.

59 Item 5 (e). No action should have been ta till the reappropriation was sanctioned.

60 Items 5 (f) & (g). Vide remarks against 5.

61 Item (6). In the bills for the periods f which audit was completed claims to the exten the receipts not deducted from charges have b disallowed.

62 Item 6 (b). Public Works procedure ough have been followed.

63 Item 6(c). The Land Acquisition Officer d maintainmt only a register of properties acqd. The Head Office should maintain a list of su properties and note against each the mode of disposal. Unless disposals are noted against the properties compernad and the monthly rental.

App. F. III—2]

WD 0569—GPB—40,000—[illegible] 2-28

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General and Revenue Secretariat

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Serial No

to the Municipality taken to the proper demand register, not only will it be impossible to correctly find out the properties belonging to the Municipality but there may be loss in Municipal Revenue.

4 Item 72 Vide my remarks against similar explanations.

Comptroller.

App. F. III—2]

WD 0569—GPB—40,000—31-, -2

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Serial No

65 The Comptroller's remarks have been embodied in the statement put up to previously [illegible]

[illegible] 77.

60 A complete statement of the several principalities of the Slaughter City Improvement Works on which explanations were called for, with their explanations & Comptroller's remarks thereon is put up with appx Note in each case

(see being it in person 6/11:

2 Secy).

6/11.

61 I have carefully gone into the explanations submitted & the remarks of the Comptroller thereon and agree with the views expressed by the Chief Secy against the items —

It appears that the Municipal Engineer is in most cases, & the Pt & Rd Secy are not free from blame; & that the procedure followed in most cases was unauthorised; & that the Contracts entered into have resulted in a loss to the Council who have not been consulted; & that a heavy sum has been drawn from Govt without any authority.

Some Action seems necessary on the part of the items contained in the statement (Hay 4)

Yours.

14.11

CSC. 1725 4159

C.S.P.—Centl. Stock

App. F. III—2]

WD 0569—GPB—40,000

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69

566

70 The following measures will prevent the recurrence of these irregularities:-

(1). Works for which Government grants-in-aid are given may be shown under a separate head in the Municipal accounts.

(2). In respect of these Works, the entire procedure of the State Public Works Department regulating sanction to estimates, execution of Works record of measurements and maintenance of accounts may be required to be followed.

(3). The Engineer in charge of these Works may be entrusted with all the duties and responsibilities of a Public Works Divisional Officer.

(4). Adequate accounts establishment may be given to the Engineer,

(5). The Engineer may be required to make his payments from funds supplied by the Municipal Head Office and to render all the accounts re

WD 0569—GPB—40,000—

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General and Revenue Secretariat

Serial No.	Notes—Contn.

78174

General and Revenue Secretariat

RC File No. 86 of 1926

Serial No.

Typed draft order dealing with the ex Laccadive & Cuddapah for appl.

9.2.26

A revised draft prepared in accordance with the opinion of Mr. Amphlett. Copies of Statutes on the several enfranchises noticed. Objection para 13

15/8/26

Subd

The order portion was been considerably curtailed relegating the details to a statement to accompany the order. The statement will consist of two Cols the 1st for audit objections & the 2nd for explanations & orders of Govt as embodied in the order already put up. After approval of the order portion a complete draft with the statement will be put up

16/8/26

Final Revised draft & Enclosures

71

WD 01264—GPB—40,000—17-12-25
App. F. III—2]

al and Revenue
G Secretariat

File No. 787 of 192 24

Serial No.

Draft A as to Mashie Considered
Whitley)
Draft B as to Lahore Cantt
Dewan.

WAN'S OFFICE
19. APR. 1926
...191...

15.6 G.I. no. L 7210-1 R 29. 5. 26 to the Accountant General and Comptroller.

Passes orders on the Defects Procedure laid out by the Audit Comptroller in the Accounts to be maintained under rules relating to the Department Works.

Encl.—Contd. space

Serial No.

I Maintenance of Accounts.

Accounts maintained in the Special Engineer's Office are reported to be defective and most of the irregularities remain without action being taken to rectify the same. This is stated to be due to inadequate staff and though the Engineer is given the powers of an Executive Engineer and entrusted with works to the extent of 2 lakhs, he has got the staff of only a P.W. Sub Division. This should have been brought to the notice of Govt. by the Chief Engineer.

II Work Bills and Work Registers.

Bills prepared by the Overseer and passed by the Special Engineer are entered in the Work Register maintained in the Special Engineer's Office. The bills are passed on to Municipal Office and entered in the General Cash Book of that office but as all the bills are not paid in the Municipal Office in the same month, there is no agreement between the General Cash Book and Work Registers as the expenditure on the Work Register represents the amount of the several bills and not the amount paid by the Municipal Commissioner. Certain adjustments also are not noted. No adjustment book is maintained. For want of this and omission of entry in the cash book of all items of receipts and expenditure, it cannot be said whether all the transactions pertaining to a particular work have been embodied in the Work Registers.

III. Cash Book.

In this book only deposits received from the Contractors etc., are entered and these - -

NOTE—Contn. Sheet

deposits are kept by the Engineer without being remitted to the Treasury.

Bills passed and paid do not find a place, the chief items entered on the expenditure side is on account of disbursement of salary. The cash book is not put to its proper use.

IV Acquisition cases.- Payments on account of acquisition are made in the Municipal Office and do not find a place in the Work Register under the several works as monthly intimation is not sent to the Special Engineer and the Engineer's office do not utilise intimation received periodically.

V Execution of works-

(a) Excesses over sub heads are incurred beyond the powers of the Special Engineer;

(b) the sanctioned estimates are exceeded by more than 5%;

(c) the original designs are altered and expenditure is also incurred under new heads.

The irregularities are not regularised or brought to the notice of the higher authorities.

Instances:- (1) Interior works of the Kachcha

(1) The original estimate of Rs. 1,56,000 has been exceeded by Rs. 13,633 or 8.8% nearly without Government sanction and against a grant of Rs. 10,4000 due the amount drawn is Rs.235652 which is two-thirds of Rs. 3,53,479.

The excesses over sub heads have gone up to Rs. 22,861 though it should not have exceeded Rs. 1,000/-

Serial No.

Serial No.

1

(2) Frontage of Market.- Estimate sanctioned is Rs. 1,20,280. Tender is said to have been accepted for Rs. 1,000 more without reference to Government.

Amount incurred is Rs. 67,697 but supplemental estimates for Rs. 5,650 have been sanctioned by the Municipal Council without reference to Government and two-thirds contribution has been drawn even for this. Another estimate for Rs. 2,500 is said to be under preparation. Question has been raised whether two-thirds contribution is to be paid by Government

(3) New Bamboo Bazaar.- Sanctioned estimate is for Rs. 32,040, but tender accepted is for Rs. 6,000 in excess. The contribution payable by Government is Rs. 20,000, but the Municipality has taken two-thirds of Rs.79,[illegible] including amount paid for compensation. Excess to be recovered or adjusted from future payment

(4) Covering the Main Drain.- Estimate is Rs. 82,155 including Rs. 25,737 compensation. Government had provided only a contribution on Rs. 61,000 which amounts to Rs. 40,666. The amount said to have been drawn is Rs. 43,000. As the outlay on the work amounts to Rs.37,846 a sum of Rs. 17,760 has been paid in excess. Question has been raised whether the excess is not to be recovered or adjusted from future payments.

(5) Market Circus.- For Rs. 50,000 originally sanctioned Estimate, contribution payable is Rs. 33,333. But estimate was sanctioned by the Municipality for Rs. 53,000 and contribution on Rs. 52,475 has been taken.

(6) Town Hall and Municipal Office.- Acquisition of land was made at a cost of Rs. 43,880. The cost is distributed between Market Circus and Bamboo Bazaar at Rs. 18,584 and Rs. 25,296 and contribution recovered. No authority is said to have been produced for this.

(7) Continuation of Kitchetty Chattram Road.- Contribution has been drawn on Rs.26,736 incurred for the work though the amount has to be met from Municipal Funds.

(8) Removing slums of Ammachowdry Palya.- The work is one of acquisition at an estimated cost of Rs. 25,000, but outlay incurred is Rs. 26,603. Contribution is claimed on this.

(9) Though the amounts on account of compensation for acquisition in the following cases were ordered to be met from Municipal Funds, contributions have been drawn from Government as follows:-

	Outlay.	2/3 share recovered from Govt.
(a) General Market.	1,99,201	1,32,801
(b) Town Hall and Municipal Office.	43,880	29,256
(c) Shifting Bamboo Bazaar. ...	25,004	16,669
(d) Kitchetty Chattram contribution.	26,736	17,824

Serial No.

NOTE—Contn. Sheet

Serial No.

Against Rs. 70,413 for shifting Bamboo -- Bazaar Rs. 40,450 is taken credit for sale of sites. It is stated that no compensation should be paid for -- this.

The Municipality has been asked to explain why contributions were drawn in excess in the - several cases brought to notice.

VI. Purchases.- Girders were purchased by the Executive Engineer beyond necessity at a higher - value without calling for tenders at a loss of over Rs. 10,000 from a person who quoted higher price, without getting the sanction of either - the President or the Municipal Council. The - purchase is opposed to para 40 (4) (c) and 40 (3) (c) of the Account Code.

It is stated that the purchase was highly irregular and requires notice of Government.

VII. Register of Tools and Plant.- Articles are shown against each subordinate who render no -- monthly accounts. Periodical counting is not done. There is no record to show the custody of tools.

VIII. Property Register.- No list of properties acquired and their disposal maintained with reference to - the acquisition proceedings. A Register similar to the one in use in the Mysore City Improvement Trust Board may be opened.

IX. Moneys realised from properties acquired are in some cases taken credit by the Municipality instead of being credited to the works

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A monthly statement of such realisation should be sent to the Special Engineer.

X No register for security deposits.

XI. It is stated that the audit conducted by the Special Audit is not suited to the City Improvement Work and the Public Works Department Audit system should be adopted.

XII Proposals for remedy are:-

(1) Payments made on account of works should be centralised in the Special Engineer's Office and a cash book maintained therefor in the same office. No payment should be made in the Municipal Office on account of works.

(2) The accounts compiled should be based on the cash, adjustment and other subsidiary registers maintained in the Special Engineer's Office.

(3) The accounts should be subjected to the monthly audit in one of the W.A.D. Sections of the Comptroller's Office.

(4) Funds to be operated upon by the Special Engineer or the Municipal Commissioner in respect of City Improvement Works should be separately allotted and accounted for under a debt head "Bangalore City Improvement Works Fund" to be newly opened in the budget.

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(5) That adequate establishment of at least a Public Works Division should be provided for as has been already urged by the Special Engineer.

(6) The accounts should be based on the same lines as those of the Mysore City Improvement Trust Board Office.

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D.L. 2393

C.O. 46—B

C.No 149
12.10.24

Please address all future communications to the Comptroller to the Govt. of H. H. the Maharaja of Mysore. In reply to this Comm. please refer to No. 395 MAD.I. Ex 1.

OFFICE OF THE COMPTROLLER TO THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

Dated, Bangalore, the 9th Octr. *19*24

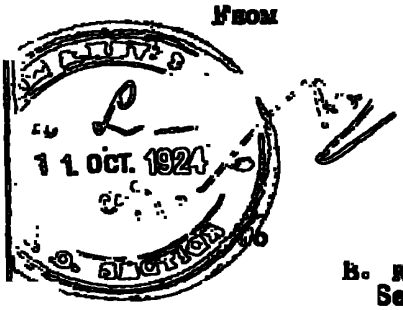
Jul 86-24

FROM

T. SATYARAJ CHETTY Esq. B.A.,

Comptroller to the Government of

His Highness the Maharaja of Mysore.



B. Nagappa, Esq., Barrat-law,
Secretary to the Govt. of Mysore,
Local and Legislative Departments,
Bangalore.

Sir,

I have the honor to forward herewith the report of Inspe on the accounts of the Bangalore City Improvement Works by M rholasinga Mudaliar, Assistant Comptroller, for information favour of orders of Government.

2. The City Improvement Works constitute a distinct di placed under the charge of a Special Engineer as sanctioned Government Order No.2257-80 Ml-181-21-8 dated 10th/20th Sep 1920. The average annual expenditure incurred in the divis over two lakhs and the usual Public Works procedure has bee ed to be followed in regard to the execution of all work taken by the division vide Government Order No.L.818-20 Ml. dated 27th July 1920.

3. The audit hitherto conducted by the Local Audit Br a year was found unsuited as the objections pointed out by taken long after their occurrence and further delay in tak action by the Municipality vitiated the very object of ins It was therefore considered necessary that the accounts sh

examin

examined in the light of the rules contained in the Public Works Co an inspection was accordingly ordered by me to be conducted.

4. The report of inspection discloses that the accounts maint are defective and that most of the irregularities remain without du action being taken to regularise them and that the system of accoun adopted is not also that authorised by Government in their order No L.818-20 Ml.161-21-5 dated 27th July 1922. The irregularities have summarised in para 40 of the report.

5. In view of the fact that Government have to pay a large qu contribution for the City Improvement Works for some years to come there are still very big works to be undertaken according to the pr gramme laid out by the City Improvement Committee and sanctioned by Government in their order No.6317-20 Ml-87-17-22 dated 9th May 1918 is considered necessary that the present system should be changed a outlay incurred subjected to the same audit which is applied to Pub Works Department outlay with reference to estimates, work bills, wo agreements etc and to grants sanctioned therefor. It is only then sufficient check can be exercised to warrant correct payment of Gov ment quota of contribution.

6. Under the above circumstances, the following proposals are for consideration and orders of Government:-

(i) Payments made on account of works should be centralised in Special Engineer's Office and a cash book maintained therefor in the same office. No payment made on account of work bills should appear the General Cash Book of the Municipal Office.

(ii) The accounts compiled should be based on the ~~account~~ Cash and adjustment books and other subsidiary registers maintained in the Sp Enginee s Office.

(iii) The accounts should be subjected to monthly audit in one the work Audit Sections of the Comptroller's Office.

(iv) Funds to be operated upon by the Municipal Commissioner or the Special Engineer with his approval in respect of City Improvement works should be separately allotted and accounted for under a separa debt head "Bangalore City Improvement Works Fund."

(v). Adequate establishment of at least a Public Works Division

should be provided for as has been already urged by the Special Engineer.

(vi) The accounts should be based on the same lines as those of the Mysore City Improvement Trust Board Office.

7. The favour of early orders is requested.

I have the honor to be,
Sir,
Your most obedient servant,

For Comptroller.

MSK/9-10